



City of San Diego



# **Brown Field Development Exclusive Negotiation Agreement**





# RFQ/RFP Process

- RFQ issued in December 2006
  - Nationally advertised
  - Larger scale proposals were encouraged
  - Six responses were received
  - Two most qualified respondents were selected for RFP process
  
- RFP issued in July 2007
  - Two outstanding proposals were submitted
  - Evaluation team included representatives from local planning group, local chamber of commerce, Airport Authority, general aviation
  - Distinctive Projects Company (DPC) was selected as the best respondent



# Current State of Brown Field

- One fixed base operator (FBO) to service jet aircraft
  - FAA strongly discourages monopolies on airports.
- No maintenance facilities for jet aircraft
- Immediate and long term needs of the airport:
  - New jet facility and hangars
  - Jet maintenance facility
  - Additional fueling services
  - Runway and taxiway rehabilitation
  - Helicopter facility
  - Avionics maintenance
  - New general aviation facility
  - Pilot lounge with restaurant
  - Water, sewage & drainage improvements



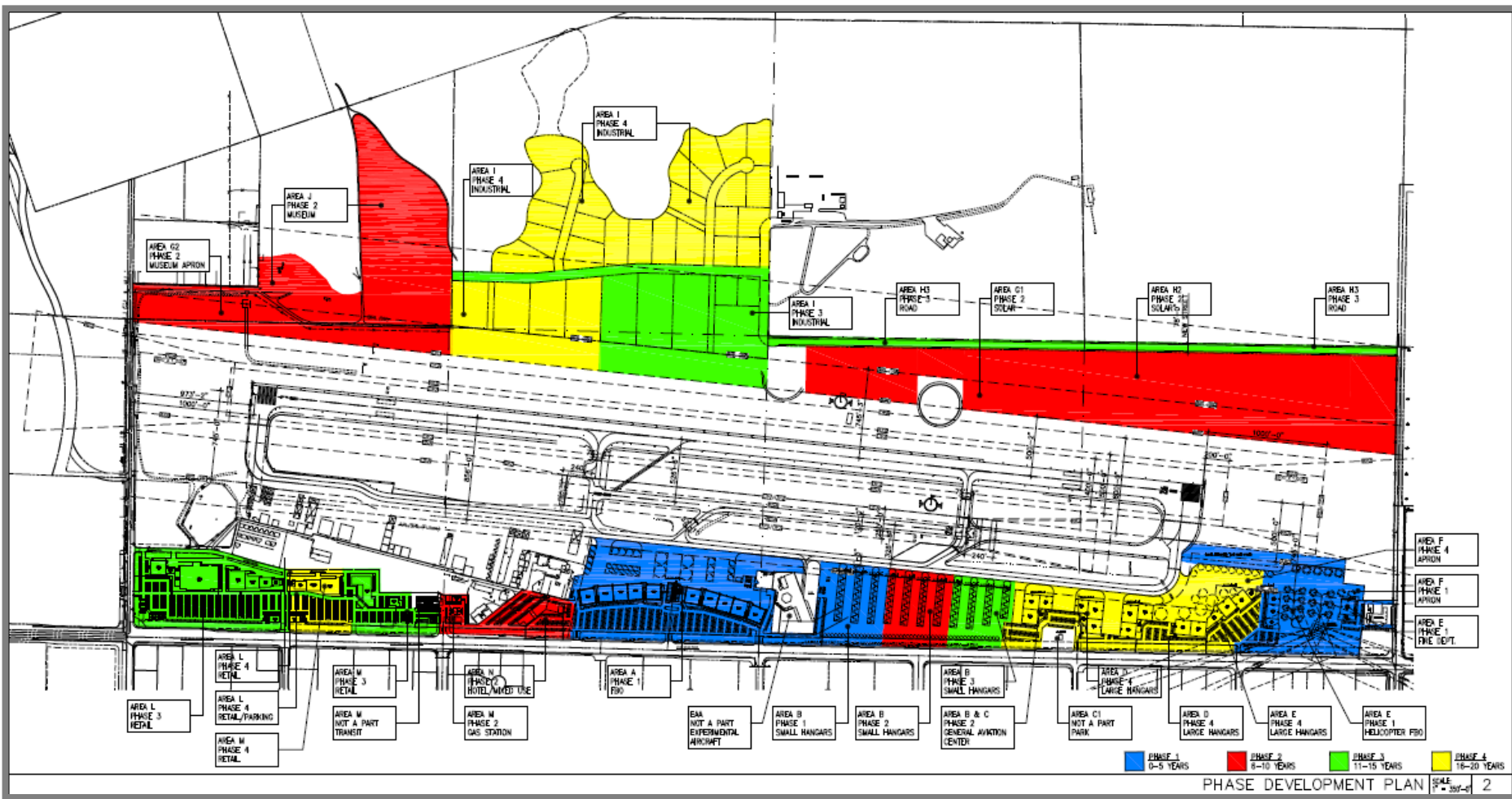
# Benefits of the Development

- Will increase aviation revenue in conformance with FAA Grant Assurances
  - Will generate an estimated \$13.9 million in rent to Airport Division
- Will provide significant economic impact: \$79.6 million and 1,300 jobs in first 5 years (Phase 1)
- Will create high-paying jobs, averaging \$47,000/yr
- Will construct capital improvements of \$100 million in first 5 years (Phase 1)





# Proposed Phased Development





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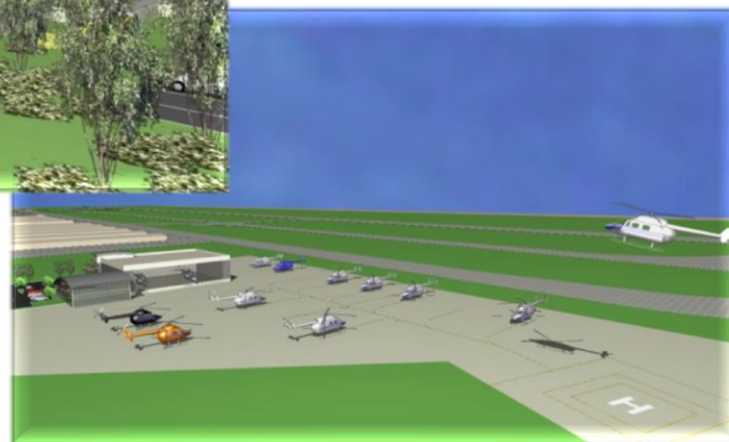
# Aviation Development – Phase 1



**Jet Facility**  
**29 acres, 300,000 sq ft**



**General Aviation**  
**10 acres, 100,000 sq ft**



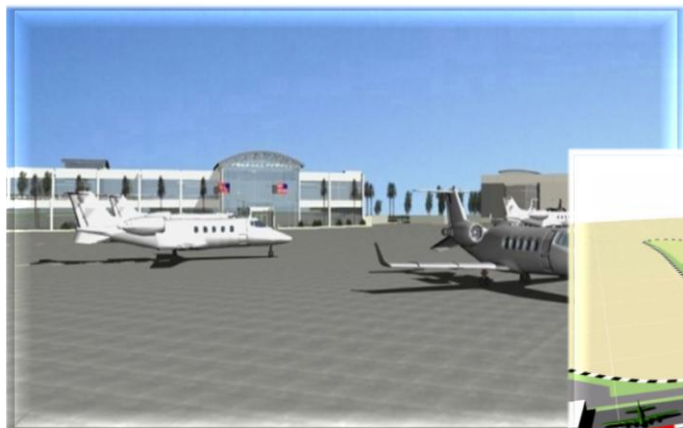
**Helicopter Facility**  
**11 acres, 90,000 sq ft**



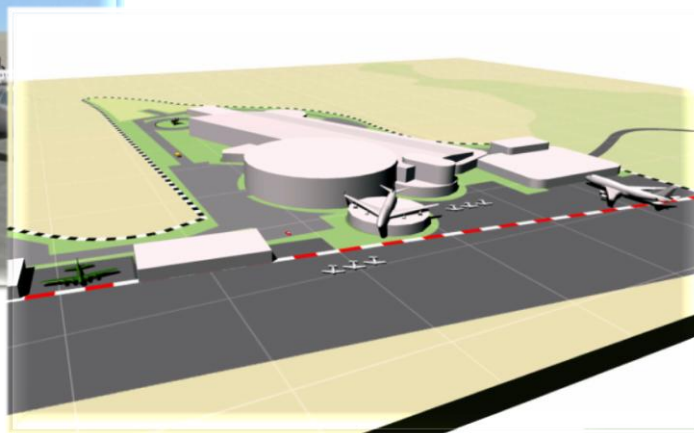
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# Aviation Development – Phases 2 - 4



**Future Aviation**  
**11 acres**



**San Diego Air and Space  
Museum, 33 acres**



**Aviation Nexus  
Industrial, 80 acres**

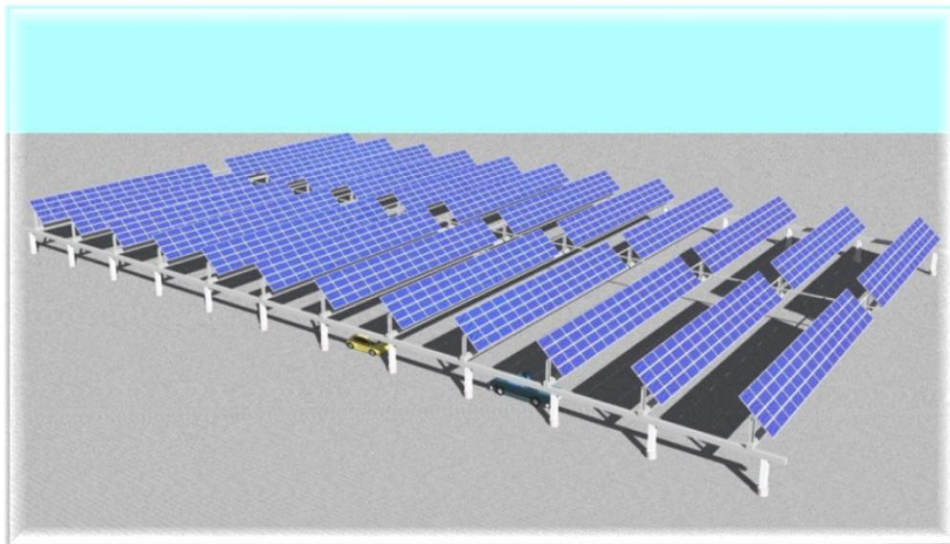




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# Support Development – Phases 2 - 4



**Solar Facility (10 MW plus bonded storage)**  
**66 acres**



**Aviation Support Services (restaurants, hotel)**  
**38 acres**





# City's Obligations in the ENA

- Negotiate exclusively with DPC for two years
- Undertake reasonable efforts to form Infrastructure Financing District
- Request FAA approval of development in Airport Layout Plan
- Apply standard lease terms
- Work cooperatively with Airport Authority and SANDAG to ensure consistency



## DPC's Obligations in the ENA

- Submit a financing plan for the two-year ENA period
- Compensate City \$100,000 for 2 years of negotiations
- Commission environmental review within 180 days
- Submit Planned Development Permit application within 180 days
- Use reasonable efforts to form Infrastructure Financing District
- Assist City in obtaining FAA approval of development in Airport Layout Plan.
- Work cooperatively with Airport Authority and SANDAG to ensure consistency



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# Questions